

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)	
)	
Schools and Libraries Universal Service)	CC Docket No. 02-6
Support Mechanism)	
)	
A National Broadband Plan for Our Future)	GN Docket No. 09-51
)	

To the Commission:

**REPLY COMMENTS OF EDLINE AND EPALS TO
THE E-RATE FURTHER NOTICE OF PROPOSED RULEMAKING AND THE
NATIONAL BROADBAND PLAN E-RATE NOTICE OF PROPOSED RULEMAKING**

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EXECUTIVE SUMMARY

Upon review of the record in this proceeding, the Commission should conclude that there is no support for its tentative conclusion that web hosting should not be eligible for E-rate funding or, alternatively, that it should only be eligible as a Priority 2 service because it is “not essential” to the educational purposes of schools. In actuality, the record proves the opposite result -- hundreds of comments were filed by schools and educators emphasizing how essential web hosted communications services have become and urging the Commission not to eliminate eligibility. Only five (5) commenters unequivocally supported the elimination of eligibility for web hosted communications, but even these commenters did not agree with the Commission’s rationale and offered no arguments in support of the tentative conclusion that web hosting is not essential.

Instead, these commenters argued that the cost of web hosting is allegedly eroding E-rate funding for Priority 1 and Priority 2 services (which is factually inaccurate), and administering eligibility for web hosting services is unduly complicated. Neither of these arguments offers a valid rationale for singling out web hosting for elimination. If ensuring funding for Priority 1 or Priority 2 services is the real motivation in this proceeding, then we respectfully submit that all services on the Eligible Services List (“ESL”) must be examined for eligibility on an even-handed basis, that criteria such as cost versus benefit of these services be established and uniformly applied, and that alternatives to altering eligibility – such as funding caps – be properly proposed for all services, offered for public comment and considered. To proceed in any other manner would fail to serve the public interest and the stakeholders in this proceeding. There may be any number of services on the ESL that could be viewed as costly, which the numbers fail to prove out for web hosting, but decisions of eligibility do not turn on cost comparisons.

While some stakeholders may mistakenly believe that eliminating eligibility for web hosting will be helpful, and may offer a quick fix to finding some nominal additional dollars for E-rate, such a change would not render the result sought. Simple elimination of eligibility for web hosting, which has not been properly justified in any event, would only free 1-2% of the E-rate Fund and would, therefore, fail to address, more broadly and holistically, critical questions about E-rate funding issues for the future. Moreover, any nominal savings would vanish as schools increase their reliance on alternative forms of communication such as voice and email that are far more bandwidth-intensive and costly to the Fund.

In order to address concern over the complexity of administering web hosting eligibility, Edline and ePals propose in these reply comments a potentially new definition for web hosted communications services that should be easier for USAC to implement and should solve the complexity of administering eligibility for this service. While such definition would still require careful consideration and public comment before its adoption, the essential point is that the laudable goal of an easier to administer program can be accomplished without eliminating a communication solution like web hosting, that both serves the essential goals of the E-rate program and is particularly efficient at accomplishing that purpose. All solutions and alternatives offered in this docket, by Edline, ePals and others, must be seriously considered before impairing or eliminating eligibility for valuable web hosted communications services that thousands of schools view as essential, and which are relied upon by 20 million parents and students. Eliminating eligibility for web hosted communications would, as extensively documented in our earlier filing, represent a return to less efficient and anachronistic technologies, and run counter to the goals and efforts of the Administration to enhance education and digital literacy through technology and broadband.

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The record in this proceeding reveals that there is no support for the Commission’s tentative conclusion that “web hosting should not be eligible for funding under the E-rate program, or, alternatively, should only be eligible for E-rate program funds as a Priority 2 service”¹ because it is “not essential” to the educational purposes of schools.² In actuality, it is the polar opposite -- hundreds of comments were filed by schools and educators emphasizing how essential web hosted communications services have become and urging the Commission not to eliminate eligibility.

Even the five (5) commenters supporting the elimination of eligibility for web hosted communications, did not agree with the Commission’s rationale and offered no arguments in support of the tentative conclusion that web hosting is not essential. Instead, these commenters argued that the cost of web hosting is eroding E-rate funding for other Priority 1 and Priority 2 services (which is factually inaccurate), and administering eligibility for web hosting services is

¹ *In the Matter of Schools and Libraries Universal Service Support Mechanism*, Report and Order and Further Notice of Proposed Rulemaking, 25 FCC Rcd 6562, 6564 ¶ 3 (2009) (“FY2010 ESL Report and Order” and “FNRPM”).

² *Id.*, ¶ 37.

unduly complicated. Neither of these arguments offers a valid justification for singling out one eligible service (web hosting) from the rest, and rendering it ineligible.

In order to address concern over the complexity of administering web hosting eligibility, Edline and ePals propose in these reply comments a potentially new definition for web hosted communications that should be easier for USAC to implement and should solve the complexity of administering eligibility for this service. While such definition would still require careful consideration and public comment before its adoption, the essential point is that the laudable goal of an easier to administer program can be accomplished without eliminating a communication solution like web hosting that both serves the essential goals of the E-rate program and is particularly efficient to accomplishing that purpose. All solutions and alternatives offered in this docket, by Edline, ePals and others, must be seriously considered before impairing or eliminating eligibility for valuable web hosted communications services that thousands of schools view as essential, and which are relied upon by 20 million parents and students. An attempt to eliminate or alter funding for web hosted communications would, as extensively documented in our earlier filing, represent a return to less efficient and anachronistic technologies, and run counter to the goals and efforts of the Administration to enhance education and digital literacy through technology and broadband.

I. THE COMMISSION’S TENTATIVE CONCLUSION THAT WEB HOSTING SHOULD BE ELIMINATED, BECAUSE IT IS NOT ESSENTIAL TO THE EDUCATIONAL PURPOSES OF SCHOOLS, HAS NO SUPPORT IN THE RECORD.

The applicable standard for E-rate eligibility is whether the service is essential to the school’s educational purposes. As noted in the *National Broadband Plan E-rate NPRM*, there is a presumption that “activities that are integral, immediate, and proximate to the education of students” are essential to the schools “educational purposes,” and any reasonable requests for any supported service – over any technology platform – to be used by any student, library patron, or school or library staff member while in a library, classroom, or on school or library property shall be eligible for

discounts.”³ This standard incorporates both educator choice and technology neutrality. The Commission’s tentative ruling in this proceeding tried to justify elimination of web hosting eligibility by asserting that web hosting is not “essential to the educational purposes of schools . . .”⁴, but hundreds of commenters and schools in this proceeding made clear to the Commission that its tentative conclusion is wrong.

To date, 480 comments addressing web hosting eligibility have been filed in the docket. Of those comments, all but five (5) expressed the view that web hosting is essential and urged the Commission to retain its eligibility. Web hosting has become so essential, in fact, that educators would lay off staff and increase unemployment in their local communities in order to keep web hosting.⁵ Schools would forgo supplies, textbooks and field trips in favor of web hosting.⁶ Web hosting has become more critical than any other vehicle for communication.⁷ Web hosting is considered more essential to schools today than it was in 2004 when it was first made eligible for E-rate funding,⁸ and in the “21st Century when many people are turning to the web as their first source of information,” web hosting is “a necessity,” not an “extravagance.”⁹ Given the weight of

³ *In the Matter of Schools and Libraries Universal Service Support Mechanism, A National Broadband Plan For Our Future*, Notice of Proposed Rulemaking, 15 FCC Rcd 6872, 6890 ¶ 42 (2010) (“National Broadband Plan E-rate NPRM”) (citing *Schools and Libraries Universal Service Support Mechanism*, Second Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 9202, 9208-09, ¶¶ 17, 19 (2003)); 47 C.F.R. § 54.500(b).

⁴ FNPRM, ¶ 37 (“We tentatively conclude that we should remove web hosting from the ESL because, while many school districts find web hosting to be a useful way to post information for parents and the community, we do not believe it is essential to the educational purposes of schools and libraries.”).

⁵ Comments of Schoolwires Inc., Dkt. No. 02-6 at 16 (filed on July 9, 2010) (“Some districts have indicated to Schoolwires that these cuts could be in the form of staff reduction or elimination of academic programs. Providing reliable, secure and ongoing communications with our constituents is critical to the success of our district and our students, says Wayde B. Byard, Public Information Office, Loudoun County Public Schools.”) (“Schoolwires Comments”).

⁶ Comments of Tazewell County Public School System, Dkt. No. 02-6 at 2 (filed on July 7, 2010) (web hosting “funds would allow more dollars for classroom needs such as supplies, textbooks, field trips, etc.”).

⁷ Phyllis David, Kershaw County School District, South Carolina, Dkt. No. 02-6 at 1 (filed on July 8, 2010).

⁸ Comments of Donna Murray, Teacher, Dkt. No. 02-6 at 1 (filed on Dec. 18, 2009).

⁹ Comments of Nadine Smith, Rock Hills Superintendent, Dkt. No. 02-6 at 1 (filed on July 9, 2010) (“Rock Hills Comments”).

commentary in this proceeding and decades of empirical studies establishing that effective communication and increased family involvement drives successful education outcomes, the Commission clearly cannot use an unsupported statement, that web hosting is not essential to the educational purposes of schools, as its justification to eliminate web hosting eligibility. In fact, no commenter agreed with, or offered any support for, the Commission’s tentative conclusion that web hosting is not essential to the educational purposes of schools.

Of the small set of five (5) commenters that unequivocally agreed with the Commission that eligibility for web hosting should be eliminated, none offered any justifications centered on whether web hosting is essential.¹⁰ Instead, these commenters advocated for eliminating web hosting eligibility by arguing that the cost of web hosting is “eroding” E-rate funding for other Priority 1 and Priority 2 services, and that administering eligibility for web hosting services is unduly complicated. Neither of these offers a valid rationale for singling out web hosting for elimination. If ensuring funding for Priority 1 or Priority 2 services is the real motivation in this proceeding, then Edline and ePals respectfully submit that all services on the Eligible Services List (“ESL”) must be examined for eligibility on an even-handed basis, that criteria such as cost versus benefit of these services be established and uniformly applied, and that alternatives to altering eligibility – such as funding caps – be properly proposed, offered for public comment and considered. To proceed in any other manner would fail to serve the public interest and the stakeholders in this proceeding.

¹⁰ The following five (5) commenters expressed the view that web hosting should no longer be eligible for E-rate funding, or should be eligible only as a Priority 2 services: California Department of Education, Julia Benincosa (West Virginia Department of Education – Web Hosting Comments), State E-rate Coordinators Alliance, Utah Education Network, and Valerie Oliver – State of Alaska (Alaska Department of Education). The following three (3) commenters expressed views that were both for and against web hosting eligibility: Bethel Park School District, Educational Networks, and E-rate Service Providers Association.

A. WEB HOSTING IS NOT A DRAIN ON E-RATE FUNDS; EVEN IF IT WERE, THIS IS NOT A VALID RATIONALE FOR ELIMINATING ELIGIBILITY.

The principle justification offered by the five (5) commenters that favor elimination of eligibility for web hosting is that funding spent on web hosting dilutes the E-rate fund and endangers the availability of funding for other Priority 1 and Priority 2 services. For example, the California Department of Education recommends:

that the FCC revisit the eligible services list and eliminate items that do not primarily facilitate the transfer of data to the classroom. . . . All other areas of eligible services will be eliminated, even though it is recognized that some have significant classroom benefits . . . the CDE recognizes that there are great educational benefits to web hosting services and systems. However, with the assumption that there will be limited funds for even the P1 category potentially in the future, we support the elimination of web hosting.¹¹

Likewise, the Utah Education Network and the Alaska Department of Education also support elimination of web hosting eligibility in order to free money for “other areas” and assure adequate funding for Priority 1 services.¹²

As these reply comments already make clear, it should be dispositive that not one of these commenters assert that web hosting is not essential. Instead, the common thread is that funding for web hosting should be eliminated in favor of funding for other Priority 1 or Priority 2 services. Of course, this is not a valid basis upon which to single out web hosting and strip it of eligibility. There are a number of services on the ESL that could be viewed as costly (which the numbers don’t prove out for web hosting), but decisions of eligibility do not turn on such cost comparisons.

¹¹ Comments of the California Department of Education, Dkt. No. 02-6 at 11-12 (filed on July 9, 2010). If the CDE proposes that all items on the ESL must either facilitate transfer of data to the classroom or be eliminated, then many more services than web hosting should be impacted.

¹² Comments of Utah Education Network, Dkt. No. 02-6 at 13 (filed on July 9, 2010) and Comments of Valerie Oliver – State of Alaska (Alaska Department of Education), Dkt. No. 02-6 at 7 (filed on July 9, 2010).

1. Web Hosting Accounts for Just 1-2% of the Fund.

Commenters in favor of eliminating web hosting, including the State E-Rate Coordinators Association (“SECA”)¹³ and the educators noted above, make clear that overall funding for the E-rate program is, as it should be, an issue of concern. When cast against web hosting, however, this concern, stands in direct opposition to the fact that funding for web hosting is not material to the program. The National Telecommunications Cooperative Association (“NTCA”) observed, and Edline and ePals agree, that “[t]he Commission’s justification that ‘funding this service may have an adverse effect on funds available for other already eligible services’ is not sufficiently quantified to merit removal of Web hosting from the ESL.”¹⁴

Edline and ePals filed comments attempting to quantify the small percentage of E-rate funds that are actually spent on web hosting. The major service providers offering K-12 schools web-based communications services (including both web hosting and e-mail) were estimated to receive roughly \$30 million in USAC funding commitments for FY2009.¹⁵ This figure represents roughly 1.3% of the \$2.25 billion annual fund. The percentage figure for web hosting alone, apart from email, is obviously even lower. In addition, Edline found that just 37 of the 2,000 Internet access providers, 1.5%, are dedicated to providing web hosting or e-mail services to E-rate eligible school and library customers.¹⁶ eChalk’s comments also support the conclusion that funding for web hosting is small but the impact is large. According to eChalk, vendors offering some form of web hosting accounts for only 2.7% of total Internet Access funding *over time* and this percentage is

¹³ Comments of the State E-rate Coordinators Alliance, Dkt. No. 02-6 (filed on July 9, 2010), incorporating additional comments filed by SECA in Dkt. No. 02-6 on June 23, 2009 (collectively, “SECA Comments”).

¹⁴ Comments of the National Telecommunications Cooperative Association, Dkt. No. 02-6 at 6 (filed on July 9, 2010).

¹⁵ Comments of Edline and ePals, Dkt. No. 02-6 at 20 n.34 (filed on July 9, 2010) (“This figure includes both web hosting and e-mail services, because some providers of web hosting also provide integrated or separate e-mail capabilities. The figure would be substantially smaller if it attempted to isolate web hosting services from e-mail services. Note that the figure includes a correction for a data entry error by the Bureau of Indian Affairs (FRN 1895797).”) (“Edline/ePals Comments”).

¹⁶ *Id.* at Section V.

probably overstated because many vendors included in the statistics offer email services or other eligible services outside of basic web hosting.¹⁷ Clearly, based on the statistics, web hosting dollars are not material to the E-rate program today.

2. The Commission Cannot Arbitrarily Single Out for Elimination One Eligible Service, Web Hosted Communications, In Order to Increase Funding for Other Services.

Even if the funding amount for web hosted communications services was material, there are serious issues attendant to arbitrarily singling out for elimination one eligible service, web hosted communications services, in order to increase funding for other services. If there is to be an assessment of what services should be eligible and on the ESL, the proper course would be for the Commission to articulate a new standard, offer it for public review and comment, and then consistently apply that standard to all services on the ESL in order to determine eligibility. As the Commission understands, eligibility decisions must be made based on concepts of competitive neutrality and technology neutrality, and so far, it appears that the Commission's tentative conclusion regarding web hosting has not observed these principles.

In addition, if ensuring adequate funding for all Priority 1 and Priority 2 services is the real issue, then the Commission and USAC should begin to more meaningfully track the funding spent on each eligible service, publish the totals for purposes of transparency, and consider implementation of any number of vehicles – such as caps, either by service type or by applicant -- in order to preserve funding for all services that educators view as necessary and essential to educational purposes.

¹⁷ Comments of eChalk, Inc., Dkt. No. 02-6 at 5 (filed on July 9, 2010) (“eChalk Comments”).

3. Web Hosting Saves Schools and the E-Rate Program Money Because It Offers an Efficient Communications Medium Compared to Other Communications Alternatives.

Funds for Learning offered an interesting example in its comments about the efficiency of web hosted communications services versus other communications tools, and the apparent dichotomy in how these tools are treated for eligibility purposes. The example starts by noting that a website is merely an avenue of communication. For example, when a parent seeks information about a school district, such as directions, there are several options. The parent can call or email the school district, but visiting the school's website is the most efficient option and the least time consuming for school district staff. "[I]t seems both counter-intuitive and conceptually inconsistent for the E-rate program to provide funding for the connectivity that makes two of the above communications options possible (telephone service and email) but not to fund the third (web hosting and web servers)."¹⁸

In fact, web hosting services are so cost-effective and efficient, and are having such a transformative impact on education, that hundreds of schools weighed in about the importance of continuing availability of web hosting for purposes of meeting their own educational requirements and budgets.¹⁹ A number of educators also commented that in these difficult economic times, school districts must maximize diminishing funds, and web hosted communications services offer superior functionality and cost savings.²⁰ There is no question, based upon the comments, that if

¹⁸ Funds for Learning Comments at 5.

¹⁹ See Exhibit A for a complete list of commenters that are urging the Commission to maintain eligibility for web hosting.

²⁰ The Superintendent of Rock Hills schools in rural Kansas emphasized the economic impact of web hosting services: "As a result of recent reductions in state funding, Kansas school districts are reducing staff to balance our budgets. With fewer staff members to answer phones, send written messages, and publish newsletters, it is even more important for our schools to have the ability to get vast amounts of information to large numbers of people quickly and easily. This is accomplished through our district web site. Eliminating E-rate funding for web hosting will only further hinder financially struggling districts, including ours, and our overworked staff." Rock Hills Comments at 1. See also, Comments of Austin Arlington, Dkt. No. 02-6 (filed on July 9, 2010); Bethel Comments at 1-2; Comments of Eric Gebhart (and his 49 signatories), Dkt. No. 02-6 (filed on July 9, 2010); Schoolwires Comments at 17-18; Comments of Mitch Thompson, Dkt. No. 02-6 at 1 (filed on July 8, 2010); Comments of Norma Guerra, Dkt. No. 02-6 at 1 (filed on July 9, 2010);

financially challenged educators are given the flexibility and choice to spend E-rate dollars, they will choose continued funding for cost-effective and efficient web hosted communications services which are, already, the first source of information for the school community.

Schools choose web hosted communications services because it is the right communications solution for a number of purposes. Web hosted communications are, by far, the least bandwidth intensive of the communications tools that are traditionally available, including voice communications and email communications. Web hosted communication also requires the least administrative overhead and has the smallest impact on a school's budget. If web hosting were no longer available under the E-rate program, applicants would be forced to select less well-suited communications solutions as replacements (voice or email communications to impart directions, for example) which have the potential for wasting school staff resources and increasing costs to the Program. Funds for Learning echoed this point:

If web hosting (and web servers) become ineligible for E-rate discounts, many applicants simply will not have the resources necessary to continue operating their public websites. And when one avenue of communications is severed, demand for alternatives will naturally increase. As such, we expect that the elimination of funding for web hosting / web servers will increase the demand for other funded services (namely, telephone service and email) and that overhead costs for school and library personnel will invariably increase too.²¹

As the Commission correctly recognized years ago, application of competitive and technology neutrality principles are essential so that federal funding does not distort the market,

Comments of Patricia Palmer, North Canaan, CT Elementary School, Dkt. No. 02-6 at 1 (filed on July 9, 2010); Phyllis David, Kershaw School District, Dkt. No. 02-6 at 1 (filed on July 8, 2010); Comments of Robert Walton, Worcester Public Schools, Dkt. No. 02-6 at 1 (filed on July 8, 2010); Comments of Ted Dubsky, Dkt. No. 02-6 at 1 (filed on July 8, 2010); and Comments of William Seus, Sayville Public Schools, NY, Dkt. No. 02-6 at 1 (filed on July 8, 2010). Moreover, several commenters noted that their state laws require them to post items to a district or school website. Clearly, if websites are required by law, they are essential educational tools and schools cannot simply eliminate them. Accordingly, cutting funding for websites will be a real burden for schools. See the comments of Alan Merly; commenters similar to Alan Merly; Central Heights School District; Cynthia L. Heidorn, IL School District; Eric Gebhart (and his 49 signatories); Loretta Dale; Julian Diaz; and Ted Dubsky.

²¹ Comments of Funds for Learning, LLC, Dkt. No. 02-6 at 5 (filed on July 9, 2010) ("Funds for Learning Comments").

prevent advances, or inhibit the natural desire to use the best tools. The *Universal Service First Report and Order* notes that technology neutrality allows the marketplace to direct the advancement of technology and prevents the Commission from limiting providers of universal service to modes of delivering service that are obsolete or not cost effective.²² The Commission's proposed direction on web hosting is, unfortunately, a perfect example of how a non-neutral approach will result in a more costly allocation of funding for obsolete or cost-inefficient communication resources, at greater cost to the Fund over time. If the Commission eliminates funding for web hosted communications services, it will be forced to subsidize inefficient forms of communication over efficient forms, which will not serve the Program, the Fund, stakeholders in this proceeding, or the public interest.

B. THE COMPLEXITY OF ADMINISTERING ELIGIBILITY FOR WEB HOSTING IS NOT A VALID RATIONALE FOR ELIMINATING ITS ELIGIBILITY.

In its comments, Funds for Learning makes an observation that perhaps the Commission's proposal to make web hosting ineligible relates to the complexity of administering funding requests for web hosted communications solutions:

We suspect that the impetus behind the proposal to exclude web hosting from the ESL lies in some of the difficulty that USAC has had with administering web hosting requests. There has been such a fluctuation in the eligible percentage (after cost allocation) among service providers that determining the percentage of eligibility from one carrier to another has become quite a chore. However, just because the administration of an eligible service may be difficult does not mean that it should simply be eliminated. The middle ground approach, which in our opinion makes the most sense, is for the Commission to promote consistency and accuracy among these kinds of funding requests by adopting clearer eligibility guidance and more rigid standards for administering them.²³

²² *Federal-State Board on Universal Service, Report and Order*, 12 FCC Rcd 8776, 8802 ¶ 49 (1997), *aff'd in part*, *Texas Office of Public Util. Counsel v. FCC*, 183 F.3d 393, 440-42 (5th Cir. 1999) (subsequent history omitted) (emphasis added).

²³ Funds for Learning Comments at 5-6.

The New York State Education Department makes a similar observation: “The proposals for eliminating the eligibility of Web hosting and/or basic maintenance appear to have more to do with the difficulty of allocating or controlling the eligible costs of these services rather than a fundamental determination that the services are unimportant. NYSED favors retaining eligibility of these services, together with the development of more transparent guidelines for cost-effectiveness.”²⁴

Complicated administration of eligibility for web hosted communications services does not present a valid justification for eliminating eligibility. Instead, the FCC and USAC must find a better way, better definitions and processes, for determining the components of web hosting and other services that are eligible and ineligible so that administration of the Program is not overly burdensome for USAC, service providers and educators.

Edline and ePals suggested in their comments that USAC’s handling of eligibility for web hosting services, including the cost-allocation process, would become less complex and more straight-forward if USAC would do two things: (1) clearly and consistently delineate eligible services (communications tools) from ineligible services; and (2) observe competitive neutrality and technology neutrality while undertaking this task. These concepts require that USAC treat similarly-situated services in the same manner for eligibility purposes, and refrain from providing preferential treatment for one form of electronic communication over another. If these concepts are consistently applied to web hosted communications tools, for example, then communications capabilities offered over any kind of technology (email, text messaging, web hosting, chat, blogs, discussion boards, microblogs, VoIP, etc.) will be eligible, while services that do not facilitate communication as their primary purpose will not. A number of other commenters in this proceeding expressed the same view about the need for USAC to apply a simpler and more

²⁴ Comments of the New York State Education Department, Dkt. No. 02-6 at 9 (filed on July 9, 2010).

consistent approach.²⁵ If the FCC does not proactively address it, the problems inherent in USAC's approach to web hosting services, together with its complex cost allocations, will drive web hosting providers away from the E-rate Program at a time when educators are indicating a clear need for the service.²⁶

II. ADOPTING AN IMPROVED DEFINITION OF WEB HOSTED COMMUNICATIONS SERVICES IS EASILY ACHIEVED AND WILL SIMPLIFY USAC'S ADMINISTRATION OF THIS SERVICE.

As Edline and ePals indicated in their comments, as well as Funds for Learning, Blackboard and others, different ways that schools choose to communicate over the Internet should not have different eligibilities that constrain schools from accessing the most modern, cost-effective and educationally useful electronic tools. As one commenter noted, "virtually every communication form on the Internet, including e-mail, is now based on a web hosting model and is accessed via a standard web browser."²⁷ Most of the complexities that have arisen in administration of web-hosted communications services can be easily addressed by relatively simple improvements to the ESL.

Edline and ePals offer the following draft language for illustrative purposes, which observe principles of both competition and technology neutrality.

Web Hosted Communications -- Definition

Eligible web-hosted communications services enable one-to-one, one-to-many, or many-to-many communication over the Internet to a public or restricted audience, and facilitate communication as their primary purpose and use.

²⁵ "Schoolwires proposes that the Commission address concerns surrounding what aspects of web hosting should be eligible, how these components can be clearly defined in the ESL, and whether the current cost allocation process is adequate." Schoolwires Comments at 16. Funds for Learning notes: "[W]e continue to support the current eligibility limitations -- namely, that web content, applications, and website development tools should not be eligible for E-rate funding." Funds for Learning Comments at 5. eChalk recommends that the FCC keep Web Hosting as an eligible service but limit web hosting eligibility to simply the hosting of a website -- and be clear that content management tools, grading applications, templates are not eligible and need to be cost allocated out of a funding request. eChalk Comments at 6.

²⁶ See Comments of Educational Networks, Dkt. No. 02-6 at 1 (filed on July 9, 2010).

²⁷ Comments of Philip B. Gieseler, Dkt. No. 02-6 at 18-19 (filed on July 9, 2010) ("Gieseler Comments").

Implementation Guidelines / Notes:

1. Commonly known and current categories for eligible web hosted communications services include email, webmail, websites, discussion boards, blogs, and chat.
 - *A list of commonly known examples makes clear to applicants, service providers, and USAC the types of communication tools contemplated while at the same time anchoring the definition on the conceptual framework of communication rather than terminology.*
2. Systems that do not facilitate communication as their primary purpose and use, including student data systems, teacher grading software, or proprietary online curriculum, are not eligible.
 - *The “primary purpose and use” requirement relating to communication simply and effectively addresses concerns of that any cloud computing or hosted software application would be funded and erode the fund.*
3. Consistent treatment of editing and administrative features that are eligible for email would greatly reduce the burden of administering these services and the complexity of the cost allocation process.
 - *Today all web-based email includes the ability to create, edit, sort, view, and send message content, including html, graphics and other media embedded in email. Web pages, blogs, discussion boards, and other forms of web-hosted communications all employ similar end-user interfaces. The currently required (and inconsistent) cost-allocation of many of these features for web hosting creates unnecessary complexity and burden for the program. Consistent and technology neutral treatment of all web-hosted communications would easily remedy much of the complexity.*

The foregoing definition of web hosted communications services focuses on the eligible component, the communications function. In a world of communication convergence, it is indeed complex – almost impossible – to come up with meaningful ESL distinctions between a website’s “discussion board”, a blog with “comments” or “web-based email”. The core principles of technology and competitive neutrality were designed to prevent just this type of complexity, but are not being followed. Instead, granular distinctions are made on an inconsistent basis and the result is administrative burden and complexity.

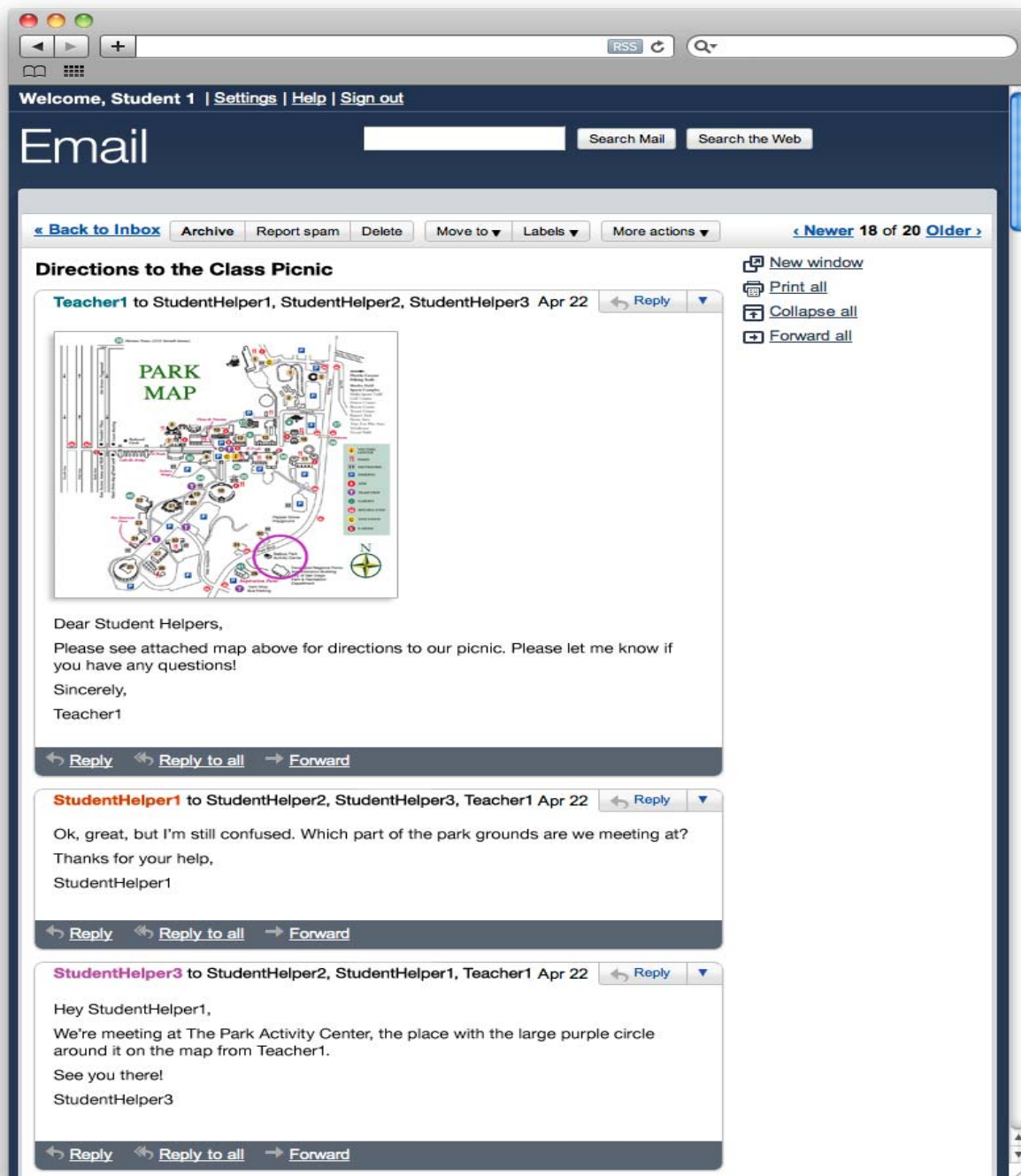
To illustrate the point, please see Figure 1 below which provides an example of a teacher and students communicating the same information over two web-hosted communication methods: one eligible (“web mail”) and one proposed to be ineligible under the FNPRM (“discussion board on a

teacher web page”). Both have as their essential purpose communication, both require authentication/password to enable secure communication to a limited audience, both are rendered on a web page via a web browser, both enable the creation/editing of message content with graphics, and both are far more bandwidth-efficient than voice or voicemail systems.

The foregoing definition for web hosted communications services would be easier for USAC to administer because, for example, USAC will not have to parse arbitrary distinctions between similar forms of web hosted communications. It also will make it easier for Program participants and USAC to draw clear lines regarding which services are eligible and which are not. While the foregoing ESL language is merely provided in draft form for illustrative purposes, it demonstrates that an updated ESL definition of web hosted communications services can easily simplify the administration of these services and greatly reduce, if not eliminate, the complexities that exist today.

FIGURE 1

Web-Mail



Both have as their essential purpose communication, both require authentication/password to enable secure communication to a limited audience, both are rendered on a web page via a web browser, both enable the creation/editing of message content with graphics, and both are far more bandwidth-efficient than voice or voicemail systems.

Discussion Board on Teacher Web Page


Welcome, Student 1

Teacher Web Page 1

Washington High School, Room 17

HOME | LINKS | DISCUSSIONS

DISCUSSION: PICNIC PREP	POSTS	LAST
DIRECTIONS TO THE CLASS PICNIC	3	05.20.10
TEACHER1		



Dear Student Helpers,

Please see attached map for directions to our picnic. Please let me know if you have any questions!

Sincerely,

Teacher1

Ok, great, but I'm still confused. Which part of the park grounds are we meeting at?

Thanks for your help,

StudentHelper1

Hey StudentHelper1,

We're meeting at The Park Activity Center, the place with the large purple circle around it on the map from Teacher1.

See you there!

StudentHelper3

Both have as their essential purpose communication, both require authentication/password to enable secure communication to a limited audience, both are rendered on a web page via a web browser, both enable the creation/editing of message content with graphics, and both are far more bandwidth-efficient than voice or voicemail systems.

III. THE PROPOSAL TO ELIMINATE FUNDING FOR WEB HOSTING IS BACKWARD-LOOKING, ANACHRONISTIC, AND CONFLICTS WITH THE TECHNOLOGY GOALS OF THE ADMINISTRATION.

In Section II of the joint comments filed by Edline and ePals, a perspective is offered that the Commission's proposed elimination of eligibility for web hosted communications services runs counter to core elements of the Obama Administration's technology goals, as well as the Commission's own goals for education, broadband and technology as set forth in the 2010 National Broadband Plan:

The direction of the Administration and the Commission is in favor of greater openness, greater flexibility, more cost-effective and educationally useful technology, encouraging digital literacy, improving the flow of educational information for teachers, parents and students, and creating opportunities for civic engagement. The Commission must take notice that all of these goals are served by continuing to fund (and would be greatly harmed by diminishing) web hosting services as part of the E-rate program.²⁸

Edline and ePals also noted that through its "Open Government Memorandum,"²⁹ the Obama Administration is using the latest technologies to provide Americans greater access to the government through online services and data centers and greater opportunities for public participation in government agency activities. Schools should have access to the same modern technology capabilities, including web hosting and blogs, that our government feels is so vital for its own civic engagement.³⁰

A number of commenters share the view of Edline and ePals, that the Commission's proposed direction on web hosting is misguided. One commenter stated: "By backing away from supporting web hosting services, the E-rate Program is moving in exactly the wrong direction. As a

²⁸ Edline/ePals Comments at 5.

²⁹ Memorandum on Transparency and Open Government, 74 Fed. Reg. 4,685 (2009). The President's Open Government Directive is available at: http://www.whitehouse.gov/the_press_office/TransparencyandOpenGovernment/.

³⁰ Edline/ePals Comments at 5.

general matter, much of the Internet's power lies in its ability to allow people to access and share information posted online. In eliminating support for web hosting, the E-rate Program is effectively applying a backward-looking, anachronistic definition of telecommunications and information services"³¹ eChalk also agrees with Edline, ePals and others that eliminating web hosting eligibility would be a step backward for the Commission and for schools:

Communication via the web has almost completely replaced other forms of communication that dominated when the Telecommunication Act of 1996 was written. Parents had to find information about their school from a note in the mail or brought home by their child. Less than 10% of the US was on the Web in 1996; today it is almost 100%. Google, Facebook, Twitter had not been founded. Yet the FCC had the foresight to write the law to ensure that schools, health care, and libraries were to have access to advanced telecommunications services. Making Web Hosting ineligible would be a step backwards for the FCC and for the institutions that rely upon this ubiquitous form of communication.³²

Many of the commenters urge the Commission to thoughtfully consider changes to the E-rate program, and the impact of any changes. The Commission should refrain from making piecemeal decisions about web hosting that run counter to the technology and education goals of the National Broadband Plan and the Obama Administration. The change proposed with respect to web hosting is backward-looking and anachronistic and, while it may offer the appearance of a quick fix to find some nominal additional dollars, such a change will fail to address, more broadly and holistically, critical questions about E-rate funding issues for the future.

IV. CONCLUSION.

One commenter in this proceeding warned that eliminating eligibility for web hosted communications at this juncture "would continue the trend toward *ad hoc* determinations of

³¹ Blackboard Comments at 17.

³² eChalk Comments at 5. Schoolwires also weighed in with the following: "Eliminating web hosting as an eligible E-rate service will have a profound impact on the ability of school districts to address the academic and strategic imperatives that are critical to the success of each and every student they serve. This is counter to the goals established by the current administration to improve educational outcomes for students." Schoolwires Comments at 16.

eligibility, i.e., eligible or not eligible simply because the Commission has said so, rather than findings based on the Commission's core principles of neutrality and applicant choice . . . [and] [i]t would raise questions regarding whether the Commission is acting in an arbitrary and capricious manner by indicating disparate eligibilities for products and services that provide the same or highly similar benefits.”³³ Edline and ePals agree that the Commission must proceed cautiously, consider carefully the record in this proceeding, observe core principles of neutrality and applicant choice, and avoid acting in an arbitrary manner with respect to web hosted communications services.

When reviewing the record in this proceeding, the Commission should conclude that there is no support for its tentative conclusion that web hosting eligibility should be eliminated, or that web hosting should be made a Priority 2 service, because it is “not essential” to the educational purposes of schools. Hundreds of comments were filed by schools and educators emphasizing how essential web hosted communications services have become and urging the Commission not to eliminate eligibility.

If ensuring funding for Priority 1 or Priority 2 services is the real motivation in this proceeding, then Edline and ePals respectfully submits that all services on the ESL must be examined for eligibility on an even-handed basis, that criteria such as cost versus benefit of these services be established and uniformly applied, and that alternatives to altering eligibility – such as funding caps – be properly proposed, offered for public comment and considered. To proceed in any other manner would fail to serve the public interest and the stakeholders in this proceeding. There may be any number of services on the ESL that could be viewed as costly, which the numbers fail to prove out for web hosting, but decisions of eligibility do not turn on cost comparisons.

Finally, in order to address concern over the complexity of administering web hosting eligibility, Edline and ePals encourage the Commission to consider the new definition for web

³³ Gieseler Comments at 17.

hosted communications proposed in these reply comments, which should be easy to implement and should solve the complexity of administering eligibility for this service in a technology neutral manner.

Respectfully submitted,

_____/s/____

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Steven Sidel, Chief Executive Officer
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Washington, DC 20037
(202) 457-5666

Counsel to Edline and ePals

Dated: July 26, 2010

EXHIBIT A

Total Number of Commenters Supporting Web Hosting Services: 469

**Schools, School Districts, Education Entities, and Individuals Affiliated
with Educational Institutions Supporting Web Hosting Services;
Opposing Web Hosting Removal From ESL: 86**

1. Alexandra Ito
2. Amy Burgin- Webmaster, Effingham County Board of Education
3. Barbara Hudgens
4. Barry Zakes
5. Bluffs School
6. Brunswick County Schools
7. Bullock County Board of Education
8. Butte Falls School District
9. C. Maloof, Chelmsford Public Schools in MA
10. Carol Carpenter- Central City School #133, Centralia, IL
11. Carol Palumbo- Spanish Fort Middle School
12. Central Heights School District
13. Chuck Brown- Robertson County Schools
14. Chuck Culpepper- Bloomfield Schools Educational and Assessment Technology
15. City of Chicago
16. Clarksville ISD
17. Cleburne County Schools
18. Cleburne Independent School District
19. Cleveland School District
20. Cushing ISD/Becky
21. Cynthia L Heidorn- IL school district
22. Daphne Middle School
23. David Schlossman- Thurgood Marshall Academy
24. Debra Ezell- Fort Stockton Independent School District
25. Delhi Charter School
26. Eric C. Brunning- Saddle Mountain Unified School District
27. Erica Stein -Quakertown Community School District
28. Esko Public School – ISD 99
29. Granbury Independent School
30. Great Valley School District
31. Greg Godwin- Asotin-Anatone School District
32. Haakon 27
33. Hamburg School District
34. Hempfield Area Schools
35. Holy Family Elementary School
36. Immaculate Conception School
37. Iowa Department of Education
38. Jane Whitaker- Lenoir City School District
39. Jay Furmanek
40. Jennifer Blake- Great Valley School District
41. Karen Guidry
42. Karen Wolfe- Carbondale Elementary School District No. 95
43. Kimberly Rupert- Miami East Local School District
44. Kurt Gwin
45. Lake County ESD/Sara Sarensen
46. Larry Smith
47. Lisa Amerson- Calhoun County
48. Lompoc Unified School District
49. Loretta Dale
50. Marge Schmierer (The Golden Feather Union Elementary School District)
51. Marie Tada
52. Mary Meinardus
53. Miami East Local School District
54. Michael Roth- Nazareth Area School District
55. Mineral Wells ISD
56. Nadine Smith, Rock Hills Supt
57. New York State Education Department
58. Noelle Kreider- Rialto Unified School District
59. Norma Guerra (Texas)
60. Olumide Adebo
61. Our Lady of Grace School

- | | |
|--|--|
| 62. Patricia Palmer (North Canaan, CT Elementary School) | 74. So.Miss.Cnty.Sch.Dist. E-Rate Coord. |
| 63. Peg Fisher- Poplar School District | 75. Somers School District |
| 64. Phyllis David (Kershaw School District, SC) | 76. Tazewell County Schools |
| 65. Rialto Unified School District | 77. Technology Coordinator - Butte Falls School District |
| 66. Robert Walton (Worcester Public Schools) | 78. Ted Dubsky |
| 67. Robertson County Schools | 79. Triad Community Unit School District No. 2 |
| 68. Russ Moore, Foley HS | 80. Unified School District No. 273 |
| 69. Sandra Braa-Merced Union High School District | 81. United School District |
| 70. Sara Sarensen, Lake County ESD | 82. USD #325 Phillipsburg, KS |
| 71. Septima Clark Public Charter School | 83. USD 379 |
| 72. Shirley Galbreath: Show Low School District | 84. White Settlement School District |
| 73. Sister June Favata (Saint Vincent Academy: Newark, NJ) | 85. William Seus (Sayville Public Schools, Long Island) |
| | 86. Xavier Gillon |

**Individuals with Unknown Affiliations Supporting Web Hosting Services;
Opposing Web Hosting Removal From ESL: 363**

- | | |
|---------------------------|------------------------------|
| 1. Alan Jamison | 26. Anja Evors |
| 2. Alan Merly | 27. Ann Hodges |
| 3. Albertnetta Hamilton | 28. April Knust |
| 4. Alexis Jenkins | 29. Ariel Owen |
| 5. Alexis Smith | 30. Arnie Unger |
| 6. Allen D. Bordelon | 31. Arthur Garcia |
| 7. Alvin Buerkle | 32. Austin Arlington |
| 8. Alyson McDonald | 33. Avis Harris |
| 9. Alyson Roberson | 34. Barry Zakes (2) |
| 10. Amanda Layne | 35. Bbarnes |
| 11. Amy | 36. Benny E Hendrix |
| 12. Amy Berry | 37. Beth Bausher (2) |
| 13. Amy Nimmer | 38. Beth Kight |
| 14. Amy Ripkowski | 39. Beth Summers |
| 15. Andrew Cohn | 40. Beth Verstraete |
| 16. Andy Arnold | 41. Beverly B. Thomas, Ed.D. |
| 17. Andy Fish | 42. Beverly Spondike |
| 18. Andy Schwartz | 43. Bill Marshall |
| 19. Angela Burke | 44. Bill Poole |
| 20. Angela Hallock | 45. Bradley Lindquist |
| 21. Angela Parham | 46. Brandi Metts |
| 22. Angelia Dee Treadwell | 47. Branton Bailey |
| 23. Angie Milton | 48. Brenda Luke |
| 24. Angie Newby | 49. Brent Zhorne |
| 25. Angie Wagler | 50. Brian Beisigl |

51. Brian Craig
52. Brian Hogan
53. Brian Patrick
54. Bryan Cofer
55. Carol Broughton
56. Carol Foster
57. Carole Treta
58. Carrie Whalen
59. Catherine Hamilton
60. Catherine Hannigan
61. Cathi Eredia
62. Cathy Brogan
63. Cathy Finley
64. Cathy Morton
65. Charles H. Epps
66. Charles Naas
67. Charlotte Hoya
68. Chris Franzen
69. Chris Guest
70. Chris Hamilton
71. Chris Jarka
72. Chris Usrey
73. Christine Owen
74. Chuck King
75. Colleen Calvano
76. Colleen LaGrange
77. Connie Richardson
78. Constance Bryson
79. Constance Stavrou
80. Corey Cochran
81. Craig Smith
82. Dan Christ
83. Dan Klaber
84. Dan Ragen
85. Dan Weber
86. Dana Horst
87. Dave Frick-Wright
88. David Biby
89. David Calkins
90. David Conrad
91. David Freeman
92. David Greenburg
93. David Palme
94. Debbie B Rice
95. Deborah B McManus
96. Dee Benson
97. Denise Brown
98. Denise Ollestad
99. Denita Hill
100. Dennis Myhand
101. Derek Roh
102. Devlynne Barnes
103. Diane Case
104. Dianne Anderson
105. Don Blanchard
106. Don Blanchard
107. Donita Burchard
108. Donna Murray
109. Donna Seelbach
110. Dotty Gonsalves
111. Doug Evans
112. Dr. De Ann M. Ramey
113. Dr. Holliday
114. Dr. Linda Storar
115. Dr. Michael Owens
116. Edie Rudolf
117. Edward
118. Elizabeth Oliver
119. Elliott Paul
120. Eric Gebhart
121. Eric Gebhart- Signed Petitions
122. Ericka McIntosh
123. Eugenia Normand
124. Evelyn N Baugh
125. Flozzy McNeal
126. Frank Hernandez
127. Gabriel Buono
128. Gary Adams
129. Gary Massaglia
130. Glen Granberry
131. Glenn Stott
132. Golda Donaldson
133. Gregg Faith
134. Gregg Spivey
135. Harold Jones
136. Holly Thornton
137. Howard Taylor
138. Hugh Wilson
139. J Wulff
140. J. Palicki
141. Jaime
142. James Burns
143. James Conley
144. James H. Armand
145. James Mason
146. James Oliphant

147. James Ratchford
148. Jamie R. Burkett
149. Jan Horning
150. Jane Callahan
151. Jane Hill
152. Janis Winbigler
153. Jay Bosworth
154. Jay Parker
155. Jean McCutchen
156. Jeff Burbank
157. Jennifer Fogel
158. Jeremey Rhoades
159. Jerry Swadley
160. Jerry T. White
161. Jessica Donato
162. Jim Davis
163. Jim Galloway
164. Jim Ochs
165. Joe Leacu
166. Joe Steele
167. Joel Andrews
168. Joetta Browning
169. Jon Cardwell
170. Jonathan D. Ellis
171. Joseph Nuismer
172. Joseph Palicki
173. Joy Williams
174. Judy Fletcher
175. Julia Bryant
176. Julia Monteith
177. Julian Diaz
178. Julie Mansour
179. Julie Morris
180. Julie Pierce
181. Julie Wulff
182. Karen Braxton
183. Karen Zink
184. Katarin Jurich, Ph.D.
185. Kathi Morgenstern
186. Kathryn Tison
187. Kathy Easter
188. Kathy English
189. Kathy Fayram
190. Kathy Ridge
191. Kathy Steinert
192. Kay Highbarger
193. Ken Briggs
194. Ken Westgate
195. Kendall Mowdy
196. Kent Dillingham
197. Keran DeCamp
198. Keri Shofner
199. Kerri Lear
200. Kim Goodrich
201. Kim Walter
202. Kimberley Spivey
203. Kimberly Couch
204. Kirsten McLendon
205. Kristi Rice
206. Kyle Berger
207. Lance Lennon
208. Landon Scism
209. Laraine Boatright
210. Larry Smith
211. Lee Ann Wentzel
212. Lee Mansell
213. LeVance Gay
214. Lightspeed
215. Linda Adams
216. Linda H. Kirkland
217. Linda Howard
218. Linda Patrick
219. Lisa Petzinger
220. Lori Paup
221. Lori Wells
222. Lowell Shira
223. Lylia King
224. Lynn Hopper
225. Lynnette H. Duhamell
226. Lynnette Sawyer
227. M.K. Beedle
228. Marcia Klasey
229. Mark Beck
230. Mark McMurray
231. Mark Miller
232. Mark Pumphrey
233. Marlene Ramirez
234. Martha Ann Rabon
235. Martha Franklin
236. Martha McCarthy
237. Mary Jo Peters
238. Matthew Shell
239. Melissa Jensen
240. Melissa Shields
241. Meritte Threadgill
242. Merri Larson

243. Michael Crewse
244. Michael D Williams
245. Michael Duffy
246. Michael Estrada
247. Michael Lampson
248. Michael Murray
249. Michael Nace
250. Michael Roberts
251. Michele Crowley
252. Michele White
253. Mike Cale
254. Mike Ingram
255. Mike Parchman
256. Mike Reinders
257. Mike Sanders
258. Mitch Thompson
259. Mollie McLeod
260. Monica Brantley
261. Mr. Brian Craig
262. Nancy Whalley
263. Neile Bennett
264. Pam Moorner
265. Patricia Rabalais
266. Paul Zeller
267. Paula Raulerson
268. Peg Fisher
269. Peggy Collum
270. Penny Chennell
271. Perry Tison
272. Phil Carolan
273. Phillip Fountain
274. Rachel Arriaga
275. Rami Hamadeh
276. Rebecca B. Comer
277. Rebecca Comer
278. Rebecca Davis
279. Rebecca Phillips
280. Reggie Clinton
281. Renita Heideman
282. Rhonda Cooper
283. Rhonda Kribbs
284. Richard Harp
285. Richard Kojis
286. Richard Wilson
287. Rita Whitaker.
288. Rob Frierson
289. Rob McKinney
290. Robbie Baker
291. Robert Adams
292. Robert Costley
293. Robert Hagler
294. Robert Lucas
295. Robert Normand
296. Robert Strugala
297. Roger Ray Schnitzler
298. Ron Mayfield
299. Ron Swanberg
300. Ronnie Wicks
301. Ronny Murray
302. Rosemary Karcher
303. Roy Cockerham
304. Ruth Allen
305. Samuel Platt
306. Sandi Sport
307. Sandra Braa
308. Sandra Guinn
309. Sandra Thorpe
310. Sarah L Fletcher
311. Scarlett Clark
312. Scott
313. Scott Hand
314. Scott Patrick
315. Shana Covel
316. Shannon Whitt
317. Sheila Brawner
318. Sheldon K. Smith, Ed.D.
319. Sonny Bedford
320. Sonny Portacio
321. Stacie Lowe
322. Stacy Fees
323. Stan Winborne
324. Stephanie D. King
325. Stephanie Dersch
326. Stephanie Snyder
327. Steve Jarrett
328. Steve Woloszyn
329. Steven Howe
330. Stuart Stipe
331. Sue Tucker
332. Suellen Brazil
333. Susan Altman
334. Susan Hargett
335. Susan Lynch (2)
336. Susan Taylor
337. Susan Walber
338. Suzanne Chachere

339. Suzanne Stockton
340. Suzie Jameson
341. Tamar Sydney-Gens
342. Tammy Hereau
343. Tammy McLane
344. Tammy Merritt
345. Teri Wing
346. Terri DeLoach
347. Terry Burns
348. Terry E. Beasley
349. Terry Sue Fanning
350. Theresa Jamison
351. Thomas P. Casey

352. Tim Southerland
353. Tom Steele
354. Tommy Doss
355. Tracy Rich
356. Truman Westfalls
357. Twanda Banks
358. Vickki R. Carter
359. Victor Coleman
360. Wayne Williford
361. Wilda Stanfield
362. William Mobley
363. William Seus

**Vendors or Services Providers Supporting Web Hosting Services;
Opposing Web Hosting Removal From ESL: 20**

- | | |
|--|---|
| 1. Blackboard, Inc. | 11. Mary Kammeyer- Granite Education Foundation |
| 2. Carol Willis- Texas Education Telecommunication Network | 12. Mary Mehsikomer |
| 3. Chris Modellmog- Smoky Hill Education Service Center | 13. Motorola, Inc. |
| 4. CloudED Mobility | 14. Nancy von Langen-Scott 5109892 |
| 5. eChalk Inc | 15. National Telecommunications Cooperative Association |
| 6. Foundation for Educational Services | 16. Philip B Gieseler |
| 7. Funds For Learning, LLC | 17. R&E Network Community |
| 8. Kellogg & Sovereign Consulting, LLC | 18. Schoolwires, Inc. |
| 9. Ken Eisner- One Economy Corporation | 19. State E-rate Coordinators Alliance |
| 10. Lori Leugers (Telecomp Solutions LLC) | 20. Verizon and Verizon Wireless |

CERTIFICATE OF SERVICE

I, Carly T. Didden, certify on this 26th day of July 2010, a copy of the foregoing "Reply Comments" has been served via electronic mail, to the following:

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Randy Clarke
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_____/s/_____
Carly T. Didden